

**Office of Economic Development
Economic Development Advisory Board
MEETING MINUTES**

Date: September 2, 2008: **Time:** 7:30 A.M.

MEMBERS PRESENT

Rich Adams
Christian Alder
Theresa Carmichael
Dale Easter
Jared Langkilde
Jim LeCheminant
Steve Parker
Jo Wilson
Steve Wood

EX-OFFICIO

Mayor Scott Smith
Chris Brady
Brian Campbell - Chair
Jeff Crockett
Charlie Deaton

STAFF PRESENT

Betsy Adams
Shelly Allen
William Jabjiniak
Amy Morales
Patrick Murphy
Debbie Spinner
John Wesley

MEMBERS ABSENT

Steve Shope (excused)

GUESTS

Keith Hjelmstad
David Ward

1. Chair's Call To Order

Chair Brian Campbell called the September 2, 2008 meeting of the Economic Development Advisory Board to order at 7:31 A.M. at the City of Mesa Council Chambers, Lower Level, 57 E. 1st Street, Mesa, Arizona 85201.

2. Approval of Minutes from August 5, 2008 board meeting.

Chair Campbell called for a motion to approve the minutes from the meeting held on August 5, 2008.

MOTION: Jim LeCheminant moved that the minutes from August 5, 2008 be approved as written.

SECOND: Christian Alder

DECISION: Passed unanimously

3. Hear a presentation on new buildings at ASU Polytech Campus

Chair Campbell introduced Mr. Keith Hjelmstad, the new Dean of the College of Technology and Innovation at the ASU Polytechnic Campus.

Mr. Hjelmstad gave a presentation on the new ASU Polytech Campus buildings. With the new buildings approximately 25 new faculty members were added bringing the total faculty to 299 strong. The State Legislature appropriated money to fund the debt service on \$103 million to build the 245,000 gross square feet complex. The Academic Complex buildings include: the Applied Arts Pavilion, Aravaipa Auditorium, and the Picacho,

Paralta, Santan and Santa Catalina halls. The halls also include offices, labs, an Engineering Studio, Dance Studio and a Black Box Theatre.

He announced that on September 11 at 8:00 a.m. there would be a Building Opening and Leadership Welcome, followed by a tour of the buildings.

There is currently approximately 10,000 students on campus with the expectation of having 15,000 students attending within 5 years.

Chair Campbell commented that 15,000 students is roughly the size of Oregon State University and Mesa is going to have that PAC 10 size school within our boundaries in 5 years. The vision of the Polytechnic Campus is an applied science concept, with the engineers working with the private industry.

4. Hear a presentation and discussion regarding the open meeting law

Ms. Debbie Spinner, City Attorney, gave a presentation on the Open Meeting Laws. The Open Meeting Law is a State Statute and is also included in the City Charter. The purpose of the Open Meeting Law is to ensure that all discussions and decisions by a government entity remain in a Public Meeting. This applies to the City Council and all the advisory boards. All discussions should be made in a Public Meeting.

Ms. Spinner also stressed this applies to phone calls, e-mails and verbal conversations. E-mails may involve issues that will come before the Board and become public record, even if it is from a personal computer. Channel all comments, suggestions and questions through William Jabjiniak, Economic Development Department Director, and he can communicate it to the Board. The Open Meeting Law does not apply to the staff. Staff can discuss and make recommendations, but staff cannot go to each one of the Board members and discuss upcoming issues.

To comply with the Open Meeting Law there must be a proper notification of all meetings of the Board. The City Clerk posts the meeting agenda with the date, time and location and the issues that will be discussed at the meeting. The agenda has to be posted 24 hours prior to the meeting. The agenda must include everything to be discussed, considered or decided at the meeting. Nothing can be discussed that is not on the agenda. The Director, Chair and staff draft the EDAB agenda. Staff provides reasonable notice and insures there is no variance from the agenda.

There must be a quorum of at least 5 voting members to hold an EDAB meeting. Voting and non-voting members are different and it is wise to avoid no more than 5 EDAB voting members communicating at any one time unless in a Public Meeting. Her recommendation is to have 8 members of the total board present for an EDAB meeting.

Sub-committees are also subject to the Open Meeting Law. The meetings need a proper agenda and must be posted. The meetings must be held where the public has access. The Sub-committees must be aware of what constitutes a majority. For example, if there are 3 members on the Sub-Committee then 2 members cannot talk to one another unless in a public meeting.

The Open Meeting Law requires that the public know they have the option to speak on anything even if it is not on the agenda, but the Board cannot respond to items not on the agenda. It also requires that minutes be taken. The minutes are then submitted to the City Council for their review and information.

The sanctions for violating the Open Meeting Law could be significant. The Attorney General and County Attorney are authorized to investigate compliance with the Open Meeting Law. Civil penalties could be imposed against individuals, be it board members or staff members who are found to violate the Open Meeting Law. If it were to go to court there would be attorney fees and court costs and ultimately potential removal from office.

Ms. Spinner encouraged the Board to call her with any questions.

5. Discussion of recommended Sub-Committees

Chair Campbell commented that in light of the open meet law discussion and the Boards feedback given to staff, one proposal is for each board member to be a member of a Sub-committee. That takes the strengths and diversity the Board has and creates a significant level of protection from an open meeting law standpoint. When in fact the Sub-Committees have formal meetings they will be published and follow the open meeting law. Everyone will be encouraged to participate. There will be a Chair person and Vice-Chair person of each Sub-Committee and they will be tasked with a specific staff member to tackle the areas within the area of that Sub-Committee. It will be up to the Chair and staff person to reach out to the expertise not only from the EDAB Board, but also to members in the other areas of the community that may be impacted.

In the past, most of the committees have been in areas of a specific geographical area or a specific item that has to be addressed. EDAB has a city-wide focus. EDAB covers everything from the challenges of transportation coming into our western boundary all the way out to Gateway Airport and everything in between. That causes us to have a target rich environment and sometimes the focus is lost. Some of the recommendations that Mr. Jabjiniak has put together are focused on trying to accomplish a recommendation basis that follows the strategic plan of the city. This will enable the Sub-Committees to get things moving on a project specific basis.

Mr. William Jabjiniak, Director of Economic Development Department, commented that the staff has looked at 7 different sub-committees. He appreciates the feedback that everyone has provided and he welcomed any additional suggestions. Mr. Jabjiniak discussed the synopsis handout of the proposed Sub-Committees. In the handout the first name provided under the Sub-Committee areas would be the Chairperson, the second name would be the Vice-Chairperson and it was suggested that outside input should be obtained as well. Mr. Jabjinak suggested that if Board members are not comfortable with the committees that have been laid out, to please let him know. He is looking for feedback and wants to make sure they are going in the right direction. The Advisory Board provides guidance to the Economic Development staff and City Council. We are looking to raise that level of participation.

Mayor Smith responded that it was an exciting step and he applauds the Board for taking the step. One of the beauties of this Board is there is nothing specific to deal with, and the Board will be whatever you make it. What he is hoping that the Board will do is use the flexibility to create something that is new, different and has not been seen before. At the Council Retreat it became obvious that there are numerous challenges in the community. There are challenges in the City that require unique solutions. Mayor Smith would like the EDAB Board to also focus on some of the challenges facing the city. That is where EDAB can be the most effective. The lack of specificity can be used to EDAB's advantage. Mayor Smith suggested that the Board pick subjects that interest them and on which the Board can have the greatest impact.

The Mayor hopes that one thing the Board will accomplish is that it becomes so relevant that the Board cannot be avoided. Your voice is truly heard, your recommendations will be listened to and they will be so good, so deep that they are followed and cannot be ignored.

Vice-Chair LeCheminant appreciated Mr. Jabjiniak and staff for putting together the 7 categories of the Sub-Committees.

Mr. Deaton asked if the Sub-Committees were limited to EDAB Board. Mr. Jabjiniak responded that the Sub-Committees are also open to non-board members.

Chair Campbell encouraged thoughts, comments, questions, or suggestions. This is a work in progress, but he would like to formally adopt the Sub-committee concept next month and then start the process in tackling the various challenges.

6. Directors Report

Mr. Jabjiniak encouraged the Board to attend the following events:

- An announcement at the Mesa Arts Center on Wednesday, September 3, 2008. The reception is at 9:30 a.m. and the DMB announcement is to start at 10:00 a.m.
- A media event on September 9, 2008 located at Phoenix-Mesa Gateway Airport.
- An ASU Polytech event on September 11, 2008 with breakfast at 8:00 a.m. with the Building Opening and Leadership Welcome at 8:30 a.m.
- The Governors Rural Conference in Carefree on September 24-26, 2008.
- The GPEC Annual Dinner is on October 1, 2008 located at the Arizona Biltmore at 6:00 p.m.

Mr. Jabjiniak commented that the EDAB Handbook is in the process of being updated. A draft of the new handbook will be available at the next meeting for

the Board to look over and provide suggestions, comments or additional information.

7. Project Update on Cardinale Auto Dealership

Mr. David Ward, Attorney for Cardinale Auto Dealership, gave a presentation. He commented that the presentation was regarding a previous Zoning Case in 2001 at the Superstition Springs Auto Mall. He gave an overview of the property with a conceptual design, challenges with the neighbors, and the processes to move forward.

The Zoning Case involves a piece of property that has a zoning stipulation on it that limits it to C-2 uses. The property is located within an existing auto mall, but a dealership cannot be located there until this stipulation has been removed. It is not a rezoning issue, as the property is already zoned correctly, but a removal of a zoning stipulation. They are proposing a new car sales dealership, not a used car dealership.

The Cardinale Auto Group is a family-owned and operated business that was started in 1979 on the Monterey Peninsula. Headquarters are in northern California with most of the dealerships located there with a GMC dealership in Scottsdale and a Mazda dealership across the street from the piece of property in Mesa.

The initial request by the neighbors for the C-2 zoning was to have additional sit down restaurants in the area. In 2001 the condominiums were under construction, thus the request for more sit down restaurants. Since then there have been other restaurants such as P.F. Changs, BJ's, Bone Fish Grill and several other restaurants, as well as an office building and Credit Union constructed surrounding this area. The only vacant piece of property in the area is Lot F & G, which has the zoning stipulation of C-2.

There have been numerous meetings with the Condominium Association and individual owners since February 2008. The following neighborhood concerns were discussed:

- Lighting must be different than the Auto Center
- Vehicle Speeding with pre-existing traffic issues
- Landscaping as a buffer is necessary
- Aesthetic Concerns with the building design
- Noise with customers and deliveries
- Open Space wanted such as dedication of a park instead of a dealership
- Opposed to Auto Dealers (concerns for property values and traffic if zoned other than C-2)

Mr. Ward stated that the economic benefits of having Cardinale Auto Group on Lots F & G are:

- Average Cardinale Auto Group estimates are dependent on the final manufacturer
- Average size is 20,000 square feet
- Average number of full time employees is 70
- Average full time salary is \$40,000.00
- Average capital contribution is \$4,000,000.00
- No sales tax measurement until a manufacturer is chosen

The process is moving forward and going to the Planning and Zoning Commission hearing on September 18, 2008. The City Council Hearing has a tentative October 20, 2008 date. It then goes to the Superstition Springs Master Association for approval of the design, then on to the City Design and Review Board for approval and finally the start of construction.

Mr. Jabjiniak explained that they are trying to raise the profile of the EDAB Board and he is seeking input on this project from the Board. We are not trying to take the place of Planning & Zoning, but trying to add the economics of that into the decision making process. The numbers for sales tax are important along with the number of employees and salaries. We need to make sure that the project is given a chance to work and that we are able to support a new dealership.

After discussion of the project by the EDAB Board, direction was given to unanimously support the Cardinale Auto Dealership Project in its' further deliberations within the City from an economic development standpoint only.

Mr. Easter asked to include with EDAB's support is also because of the consistency with the businesses in the neighborhood that EDAB can strongly support the project.

The inclusion was unanimously supported by the EDAB Board.

8. Other Business

Chair Campbell reminded the EDAB members of the next scheduled meeting on October 7, 2008.

9. Items from Citizens Present

No comments.

10. Adjournment

Chair Campbell adjourned the meeting at 9:21 a.m.

Submitted By:

William J. Jabjiniak
Economic Development Department Director
(Prepared by Betsy Adams)